

**IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF DELAWARE**

CRYSTALLEX INTERNATIONAL CORP.,)

Plaintiff,)

v.)

BOLIVARIAN REPUBLIC OF VENEZUELA,)

Defendant.)

Misc. No. 17-151-LPS

**SPECIAL MASTER'S MONTHLY REPORT
FOR THE PERIOD ENDED DECEMBER 31, 2023**

Dated: March 1, 2024

ROBERT B. PINCUS in his capacity as
Special Master for the United States District Court for the District of Delaware
PO Box 4570
Wilmington, DE 19807

Dated: March 1, 2024

BY HAND DELIVERY & CM/ECF

The Honorable Leonard P. Stark
United States District Court for the District of Delaware
J. Caleb Boggs Federal Building
844 North King Street
Wilmington, DE 19801-3570

Re: *Crystallex International Corp. v. Bolivarian Republic of Venezuela*, D. Del. C.A. No. 1:17-mc-00151-LPS; Special Master's Status Report for the Period Ended December 31, 2023 (this "**Report**")

Dear Judge Stark:

By order dated April 13, 2021 [D.I. 258], Your Honor appointed me as Special Master in this case to design, oversee, and implement the sale of Petroleos de Venezuela, S.A.'s ("**PDVSA**") shares of PDV Holding Inc. On May 27, 2021, Your Honor issued the *Order Regarding Special Master* [D.I. 277] (the "**May 27 Order**")¹ setting forth, among other things, various obligations and duties applicable to the Special Master, the Parties, and ConocoPhillips (together with the Parties, the "**Sale Process Parties**"), including my obligation to provide the Court with a periodic status report concerning my progress and efforts. The last report that I submitted to the Court was for the period ending November 30, 2023 [D.I. 891] (the "**November 2023 Report**"). I hereby write to provide this Report for the period since the November 2023 Report through December 31, 2023.

Summary of Events Taking Place since November 30

During December 2023, I have undertaken the following actions, with the assistance of my advisors (collectively, the "**Advisors**"), in accordance with my duties and obligations set forth in the May 27 Order:

- Engaged in various work streams related to the Marketing Process in furtherance of obligations under the Sale Procedures Order, including:

¹ All capitalized terms used but not otherwise defined herein, have the meanings ascribed to such terms in the May 27 Order and the Sixth Revised Proposed Order (A) Establishing Sale and Bidding Procedures, (B) Approving Special Master's Report and Recommendation Regarding Proposed Sale Procedures Order, (C) Affirming Retention of Evercore as Investment Banker by Special Master and (D) Regarding Related Matters [D.I. 481] (the "**Sale Procedures Order**").

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- Continuing to develop a list of Potential Bidders² in consultation with CITGO's management team and my Advisors;
 - Preparing, negotiating and distributing Marketing Materials and Non-Disclosure Agreements (the "***NDAs***") to Potential Bidders and consulting with my Advisors and CITGO's management team regarding inquiries from Potential Bidders;
 - Preparing and distributing the First Round Bid Request Letter (the "***Letter***") to Potential Bidders who have executed NDAs;
 - Continuing to regularly meet with CITGO's management team regarding the diligence process and Potential Bidders;
 - Discussing and evaluating potential transaction structures and associated issues with my Advisors;
 - Discussing with and responding to inquiries from judgment holders seeking to be designated as Additional Judgement Creditors; and
 - Reviewing due diligence materials provided by the CITGO management team and conducting related analysis.
- Carried out Your Honor's directives under the *Memorandum Order* dated October 11, 2023 (the "***October 11, 2023 Order***") [D.I. 738] regarding the implementation of the various milestones established by the *Memorandum Order* dated July 27, 2023 [D.I. 646] (the "***July 27, 2023 Order***") including:
 - Reviewing and analyzing the supplemental submissions filed by judgment holders seeking to be designated as Additional Judgment Creditors pursuant to Your Honor's October 11, 2023 Order;
 - Preparing a Steps Chart (as defined under the October 11, 2023 Order) and filing the *Letter to the Honorable Leonard P. Stark from Special Master Robert B. Pincus Regarding the Steps Chart* [D.I. 803] submitting the same; and
 - Reviewing and analyzing various motions filed by parties requesting to become an Additional Judgment Creditor and/or requesting to extend the Step (5) Writ Deadline and other deadlines applicable to the Attached Judgment process, and related submissions.

² As defined under the Bidding Procedures [D.I. 480-1].

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- Reviewed and analyzed the *Motion for Miscellaneous Relief in Connection with the Sale Procedures Order* (“**Six Creditors’ Motion**”) [D.I. 801] by certain judgment holders seeking to be designated as Additional Judgment Creditors and the joinders in the same [D.I. 802, 808 & 809] and prepared and filed Special Master’s response to the Six Creditors’ Motion [D.I. 821].
- Prepared and participated in an *ex parte* meeting with Your Honor and my Advisors in accordance with Your Honor’s May 10, 2023 *Memorandum Order* [D.I. 559] and July 17, 2023 *Memorandum Order* [D.I. 643].
- Prepared, drafted, and filed the Special Master’s *Motion for Authorization to Notify the Court Regarding Sale Deadlines* [D.I. 799].
- Reviewed orders filed in the Delaware Court of Chancery matter, *Petróleos de Venezuela, S.A v. PDV Holding, Inc.*, C.A. No. 2023-0778-PAF, and prepared, drafted, and filed the Special Master’s *Letter to Judge Stark Regarding Share Certificate Numbered No. 3* [D.I. 810] pursuant to Your Honor’s July 17, 2023 *Memorandum Order Regarding Share Certificate* [D.I. 644].
- Prepared the *Special Master’s Monthly Report for the Period Ended November 30, 2023* [D.I. 891].

Statement of Fees and Expenses

The May 27 Order requires that I submit an Itemized Statement of my fees and expenses to the Court. During the period from December 1, 2023 to December 31, 2023, my Advisors and I have incurred an aggregate of \$739,890.72 of fees and expenses in connection with carrying out my duties as Special Master, as shown in the table below.

Special Master	\$25,745.00
Weil, Gotshal & Manges LLP	\$496,682.67
Evercore	\$200,946.35
Jenner & Block LLP	\$0.00
Potter Anderson & Corroon LLP	\$16,516.70
Total	\$739,890.72

This amount includes the monthly fees and expenses of counsel in connection with the matters described above and the monthly fees of my financial advisor, Evercore, for December, in connection with their assistance with the preparation for the Marketing Process, including the performance of due diligence and related analysis. The Itemized Statement, attached as Annex T hereto, contains a breakdown of such fees and expenses among my Advisors and myself. I respectfully request that Your Honor determine that such fees and expenses are regular and reasonable. A proposed form of order is enclosed for Your Honor’s consideration.

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I am available at the convenience of the Court, should Your Honor have any questions.

Respectfully Yours,

/s/ Robert B. Pincus

Robert B. Pincus, in my capacity as
Special Master for the United States
District Court for the District of
Delaware

Enclosures

cc: All Counsel of Record (via CM/ECF and E-Mail)